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Economic and environmental questions: sustainable development

Draft text of an international development strategy for the first decade of the new millennium

Report of the Secretary-General

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I. Introduction

1. In paragraph 4 of its resolution 54/206, the General Assembly requested the Secretary-General, in collaboration with all concerned organs and organizations of the United Nations system, in particular the Committee for Development Policy, to submit to it for consideration at its fifty-fifth session, through the Economic and Social Council, a draft international development strategy for the first decade of the new millennium, with the aim of giving further impetus to international cooperation for development, and of monitoring long-term trends in the global economy as well as the attainment of internationally agreed targets. The present report is submitted in response to that request.

2. As requested, the draft strategy contained in the present report draws on inputs from many parts of the United Nations system and, as called for in paragraph 4 (a) of Assembly resolution 54/206, builds on the outcomes of the major United Nations conferences and their five-year review processes, the Agenda for Development and the results of other intergovernmental deliberations. This has resulted in an extensive text, but many of the proposals contained in the draft strategy, even those in diverse areas, are complementary and mutually reinforcing (e.g., higher economic growth, improvements in health and education and reductions in gender inequality).

3. The draft strategy focuses on goals and desirable policy measures and actions. Several quantifiable goals were set by the major conferences for the year 2015 and these have been retained as such, although corresponding goals could be derived for 2010. The draft strategy does not indicate relative priorities or the sequencing of the goals; national Governments should establish their own priorities in the light of the international priorities established by all Governments collectively. Equally, the draft does not specify procedures for implementation; these should be considered as the strategy is elaborated further but, in large measure, they would be the same as for the implementation of the outcomes of the conferences themselves.

4. In considering this matter, the Committee for Development Policy indicated that any new strategy should be based on an assessment of the implementation of prior strategies. As called for in paragraph 3 of General Assembly resolution 54/206, the Secretary-General will submit to the General Assembly at its fifty-fifth session an update of the 1999 report on the implementation of the International Development Strategy for the Fourth United Nations Development Decade.

II. The setting and major challenges

A. Development and peace

5. The previous international development strategy was prepared in the immediate aftermath of the cold war, with the prospect of a so-called "peace dividend" that would offer an array of new opportunities. There has been a relaxation of tensions between the superpowers and the resulting decline in military expenditures has provided them with that peace dividend. In an increasing number of other countries, however, there has been a proliferation of conflict. In particular, economic deprivation and social and political exclusion have given rise to conflicts within countries that have ranged from civil disorder to terrorism to civil war, resulting in a substantial loss of life and large population displacements, as well as damage to physical assets. In such conflicts, the human suffering has been immense and development has been not only halted but reversed.

6. Because of that proliferation of conflicts in the 1990s, there are a large number of post-conflict situations at the beginning of the present decade, which pose a particular challenge because of the need simultaneously to prevent the recurrence of conflict, to rebuild societies and to undertake rehabilitation and reconstruction, as well as to promote development.

B. Eradicating poverty and hunger

7. Extreme poverty continued to afflict some 1.2 billion people (over one fifth of the world's population) in the late 1990s; almost 800 million people were chronically undernourished during 1995-1997. Those numbers fell very little in many countries in the 1990s; in some countries, the proportion of undernourished people increased. That situation, after several decades of development effort, is a continuing embarrassment to the world community at a time when economic growth has brought large increases in income to many countries, including some developing countries. The

challenge is to ensure that all individuals everywhere are able to enjoy an acceptable level of well-being.

C. Globalization and technological change

8. Globalization in its various forms has yielded profound benefits to many countries and individuals. Recent years have demonstrated, however, that countries and individuals not in a position to reap its benefits not only may fail to gain from globalization but may have their progress reversed by it. The consequence is that globalization has tended to exacerbate economic inequality in the world, both among countries and among individuals within countries. A major challenge for the new decade will be to ensure that the adverse effects of globalization are remedied and its benefits more equitably distributed.

9. Globalization has been advanced not only by the actions of Governments but also by technical progress, notably in the areas of transport and communications. At the same time, the increased competition brought about by globalization has been one of the factors stimulating research and development in the private sector. The turn of the century has been a period of unusually rapid technical progress, most notably in computers and telecommunications but also in biotechnology. Those advances offer an opportunity to accelerate development in the developing and transition economies, but a major effort will be required to seize the opportunity to ensure that the new technologies do not further widen the gap between the richest and poorest countries and peoples.

D. Ensuring sustainable development

10. The continuing growth in the production of material goods is placing increasing stress on many aspects of the physical environment, especially the supplies of fresh water, forests, fisheries and fertile soil, and on the composition of the global atmosphere. Maintaining these supplies on a sustainable basis is vital for the economic and social development of the world's growing population. Unsustainable consumption and production patterns, particularly in developed countries, are the main cause of the deterioration of the global environment. Developed countries should take the lead in promoting sustainable consumption patterns. In pursuing their growth and development, developing countries should endeavour to bypass the unsustainable production and consumption patterns of the developed countries.

11. A number of environmental challenges require particular attention. Almost one fifth of all people do not have access to safe drinking water and more than two fifths lack access to sanitation. The management, conservation and sustainable development of forests, fisheries and agricultural land are crucial in maintaining the Earth's life-support system and supporting social and economic development. Sustainable energy production and use is crucial to environmental protection, reducing health hazards, preventing global warming and improving the quality of life.

E. Democracy, governance, the rule of law and human rights

12. Development, democracy and respect for all human rights and fundamental freedoms are interdependent and mutually reinforcing. Democracy and good governance are important for economic and social development as well as desirable goals in their own right. Efforts to promote democracy and good governance are also fundamental to the consolidation of peace and development. Good governance comprises the rule of law, effective State institutions, transparency and accountability in the management of public affairs, respect for human rights and the participation of all citizens in the decisions that affect their lives.

F. Promoting gender equality and the participation of women in development

13. Inequalities between women and men persist in most dimensions of development, albeit to varying degrees across issues and among countries. Partly because of these inequalities, the creativity and potential contribution of women to development are often underestimated and usually underused. A fundamental challenge will be to make women's concerns an integral element of the design, implementation, monitoring and evaluation of all political, economic, social and cultural programmes and policies so that the gender dimension becomes an integral part of all development activities rather than a separate and additional element. That approach should be adopted throughout the present strategy, with careful attention given to the gender

dimension of each of the goals, policies and measures that are adopted.

G. Addressing critical situations

14. Despite intensified national efforts and international cooperation to address their problems, Africa and the least developed countries continue to present a major development challenge. The conference on least developed countries to be held in 2001 will provide an opportunity to identify the shortcomings of the past and, more importantly, to rededicate efforts to resolving the problems faced by the least developed countries and their peoples.

15. Particularly in an era when globalization and interdependence are driving forces for development, the difficulties faced by landlocked developing countries are an impediment to their development. Similarly, because they are ecologically fragile and economically vulnerable, small island developing States face particular constraints in their efforts to achieve sustained economic growth and sustainable development. Special attention will need to be given to those two groups of countries.

H. International and national policy environment

16. The events, experiences and policy actions of the 1990s laid some important foundations for development in the first decade of the new century.

17. There is greater harmony and convergence of views on many development issues at both the national and international levels. Politically, there has been a trend towards democratization and greater popular participation in decision-making processes. Economically, the trend has been towards market-oriented systems and a more carefully defined role for the State. There is universal recognition that countries are responsible for their own development, but also a recognition that the international community has an obligation to foster an international economic environment that supports those national efforts.

18. On balance, the international environment in the 1990s was more propitious than in the 1980s. The completion of the Uruguay Round of multilateral trade negotiations and the establishment of the World Trade Organization (WTO) were important steps forward, although the benefits to many developing countries were less than many hoped. There was a large increase in financial flows to a subset of developing countries, but there were also a number of financial shocks that had damaging effects on development in many countries. There was also a downward trend in the development assistance efforts of many of the developed countries, the consequences of which were felt mostly by the poorest countries.

19. Focusing on the non-economic dimensions, the global United Nations conferences of the past decade have contributed to forging a new consensus on the nature of development. They have broadened the concept of development and made progress towards universal values in such areas as sustainable development, social development, human rights, culture, children and gender. As reflected in the present strategy, one of the tasks for the coming decade will be to ensure that the goals set by those conferences as a reflection of these values are fulfilled.

20. Most nations have made greater headway in development during the past 10 years than they did in the "lost decade" of the 1980s. A few countries demonstrated that substantial progress can be made even in such a relatively short period. For the majority, however, the pace of advance has been insufficient to make a meaningful impact on the overall level of well-being, while others, mostly those who were already among the most disadvantaged, have failed to make any progress at all or have even lost ground.

21. The 1990s have left a legacy of important building blocks that should enhance development prospects. In addition to the conclusions drawn by the global conferences, there has been significant progress in economic management, with notable success in many developing and transition economies in reducing inflation, correcting fiscal deficits, achieving sustainable current account deficits and improving efficiency at the sectoral level. In addition, widespread attention has been given to "lessons learned" and the establishment of "good practices" in various areas. The challenge is to ensure that those good practices are adopted, consolidated and universalized.

22. In an era of unprecedented change, it is not possible to foresee the next decade any more accurately than it was to anticipate the situation today in 1990. A final challenge must therefore be to ensure that the

international community, individual countries and others responsible for implementing the new strategy have the flexibility necessary to adjust their goals and actions as quickly as the rapidly changing world requires.

III. Goals, policies and implementation measures

A. Consolidating peace

23. Development is difficult, if not impossible, in a situation of war or conflict. The Governments involved, supported as necessary by the international community, should resolve all outstanding conflicts in a peaceful manner as soon as possible so that the development of their countries can proceed and the lives of their peoples improved.

24. Socio-economic factors are important root causes and triggers for many conflicts. Both as goals in their own right and to prevent the eruption of conflict, development strategies should seek to achieve an equitable distribution of the benefits from a country's wealth and from its economic growth. Similarly, Governments should ensure that all groups within society have equal access to opportunities for economic advancement and that the benefits of government expenditure, the burden of taxation and the costs of any shock to the national economy are equitably distributed.

B. Eradicating poverty and hunger

25. All countries, individually and collectively, should adopt the goal of halving by 2015 the proportion of people living in extreme poverty (defined as those whose income is less than $1 per day). Each country should formulate strategies to eradicate extreme poverty by a date to be specified by each country in its national context, and should commit itself to national policies and programmes directed specifically to that end and developed and applied in consultation with civil society.

26. As part of the effort to achieve that overall goal, countries should pursue the additional poverty-related goals established by the World Summit for Social Development, namely:

(a) To address the root causes of poverty and to provide for the basic needs of all;

(b) To ensure that people living in poverty have access to productive resources as well as to public services and participate in decision-making so as to enable them to benefit from employment and economic opportunities;

(c) To ensure that all people have adequate economic and social protection during unemployment, ill health, maternity, child-rearing, widowhood, disability and old age;

(d) To ensure that national budgets and policies are oriented, as necessary, to meeting basic needs, reducing inequalities and targeting poverty;

(e) To reduce inequalities, increase opportunities and access to resources and income, and remove any political, legal, economic and social factors and constraints that foster and sustain inequality;

(f) To ensure that the international community, particularly the multilateral financial institutions, assist all countries in need in their efforts to eradicate poverty, provide basic social protection and achieve people-centred sustainable development;

(g) To focus on and support the special needs of countries and regions in which there are substantial concentrations of people living in poverty, in particular in South Asia and Africa.

27. Hunger is a symptom and a cause of poverty. Hunger and other nutritional deficiencies limit people's productivity and learning, make them susceptible to disease and thus keep them poor because those who are hungry and poor are marginalized. Good nutrition is fundamental to overall human welfare and should be a goal in its own right as well as a means for other aspects of development.

28. All countries should implement international and national commitments undertaken to achieve food security for all and should seek to achieve the goal set by the World Food Summit in 1996 to reduce the number of undernourished people by half by 2015. The World Food Summit Plan of Action seeks to reduce poverty and hunger through targeting the poorest people in the neediest countries, where agriculture is the main source of income and employment of the poor.

29. National efforts and international assistance should be such as to enable the poor to benefit from mainstream development programmes and should ensure the participation of the most disadvantaged groups, such as women, children and indigenous populations. In formulating and implementing policies to reduce poverty and hunger, women should be made part of the solution and not just beneficiaries of assistance programmes. Actions should be taken to develop poor women's capacities through education, training and access to income-generating opportunities. Special attention should be given to the needs of female heads of households, who make up a disproportionately large share of the world's poor.

C. Economic development

1. Economic growth

30. Few developing countries will be able to reduce poverty and hunger or achieve many of the other goals of the present strategy unless they sustain a higher rate of economic growth than during the past two decades. A sustained increase of at least 3 per cent per annum in per capita output will be necessary in most cases to achieve a meaningful reduction in poverty. For the lowest income countries, a substantially faster rate of growth will be required.

31. Economic growth alone will not be sufficient either to reduce poverty or to achieve many of the strategy's other goals, particularly those pertaining to equity, the human condition and the sustainability of the development process. However, higher growth will provide increased resources and greater scope for change, both of which should be used to address these other priorities.

2. Domestic and international economic policies

Domestic economic and financial environment

32. Since the overwhelming share of investment in all countries is financed by domestic savings, countries themselves have the primary responsibility for the mobilization of domestic public and private resources for their investment. To that end, they need an enabling domestic economic and financial environment, which requires a sound financial system, appropriate macroeconomic policies, a clear legal and regulatory framework (including fair and strong enforcement), transparency and accountability of public and private institutions, and a stable political environment.

33. Governments need to pay close attention to the functioning and development of the financial system. In addition to enhancing financial stability, sound financial sector development can increase financing opportunities for investment and thereby raise the efficiency of the allocation of financial resources, as well as improving equity of access to financing.

34. Adequate public revenues are essential for necessary public expenditures. Governments thus need effective and equitable tax systems. Tax systems should aim to mobilize revenue in a transparent and equitable manner, keeping administrative costs low and minimizing the distortion of price signals in the economy. Such measures include broadening the tax base, for example by shifting emphasis from taxes on trade to income and/or value-added taxes, simplifying the tax code, reducing excessively burdensome tax rates and improving the effectiveness of tax collection. The capacity of Governments to implement such measures is critical to their success.

35. The allocation of public expenditure should place high priority on areas that promote sustainable economic and social development, including gender equality, while reducing poverty, such as efficient and effective investment in physical infrastructure, human development and capacity-building.

International environment for trade and financial flows

36. The international community should take all possible measures to create and maintain an enabling international environment for the promotion of global economic development, in particular the development of the developing and transition economies. To that end, international surveillance should seek to promote, *inter alia*, an effective international environment for resource transfers for development through private financial flows and international trade. All countries, in particular the major industrialized countries, should aim in their policy-making at accelerated, sustainable growth of output, trade and financial flows in a context of international financial stability.

37. Developed countries, in particular the major industrialized countries, should take into account the effects of their macroeconomic policies on the growth

and development of developing and transition economies, and should enhance the coherence of their sectoral, trade and tax policies with the aims of their development cooperation. They should foster, through banking and capital-market policy, the international transfer of long-term financial resources to an increasing number of developing and transition economies and for a widening range of investment activities.

38. The benefits of the globalization of finance should be extended to all nations and peoples, in particular to developing countries, especially the least developed countries, and countries with economies in transition. The international community should thus pursue national and international efforts to strengthen the international financial system and to make it more responsive to the challenges of development. The decision-making process for international cooperation in monetary and financial matters needs to reflect equitably the roles and responsibilities of all countries in order to promote the efficient and effective operation of international financial institutions and arrangements. In addition, the international community needs to consider the further design and development of international processes to strengthen the coherence and consistency of international monetary, financial and trade policies in support of development, mindful of the mandates of the relevant multilateral institutions.

Threat of financial crisis

39. The capacities of the international, regional and subregional financial institutions with regard to the prevention, management and resolution in a timely and effective manner of international financial crises should be improved. Relevant international and regional institutions should develop further early-warning capacities and modalities to prevent or to take timely action to address the threat of financial crisis. The policy advice provided by the international financial institutions should respond to the special needs of developing countries, and in individual cases should reflect the specific circumstances of the country concerned.

40. The involvement of the private sector in the prevention and resolution of financial crises should be enhanced. There should be an equitable distribution of the cost of adjustments between the public and private sectors and among debtors, creditors and investors. Actions expected of all relevant parties during financial crises should be understood before crises erupt, thereby reducing uncertainty during calm as well as crisis periods.

41. The international community should encourage national, regional and international efforts to minimize the negative impacts of excessive volatility of short-term financial flows. It should welcome and support national efforts to develop efficient frameworks for official oversight of short-term capital flows and trade in currencies.

42. Regulation and supervision of the financial and banking sectors in the countries of both origin and destination of international capital flows should be strengthened. Official surveillance of financial market participants should be further developed.

Direct private investment

43. The conditions to encourage domestic investment are equally relevant for foreign direct investment (FDI). The development of human resources, infrastructure and access to markets in host countries are conducive to FDI and can be reinforced by the liberalization of FDI restrictions, greater international availability of information about host country conditions, and national and regional investment promotion.

44. The international community should support developing countries, particularly least developed countries and countries with economies in transition, with financial resources and technical cooperation in their efforts to improve their investment climate. Insurance for foreign direct investors against political and related risks in developing and transition economies, such as provided by the Multilateral Investment Guarantee Agency of the World Bank, should continue to be expanded to help reduce perceptions of the riskiness of investing in these countries.

45. Transnational corporations should operate in accordance with the priorities and policies of host countries and meet internationally accepted standards of business ethics. Firms should abide by the guidelines for multinational enterprises of the Organisation for Economic Cooperation and Development (OECD). The United Nations Model Double Taxation Convention between Developed and Developing Countries should serve as a guideline for double-taxation treaties between developed and developing countries, including with respect to taxation relating to transnational corporations.

Official cooperation for development

46. The international community should revitalize official development assistance and ensure adequate support for sources of other official flows, in particular the multilateral development banks. It should assist developing and transition economies with unsustainable debt burdens to speedily bring to a close their debt-related difficulties through the requisite relief.

Official development assistance

47. Developed countries should strengthen their efforts to increase their official development assistance (ODA) so as to reach the agreed United Nations target of 0.7 per cent of their gross national product (GNP) and, within that target, to earmark 0.2 per cent of their GNP for the least developed countries.

48. Donors and recipients recognize the need to enhance the impact of ODA on economic development and poverty. This requires a strong partnership between donors and recipients. Recipient countries should assume ownership of aid programmes and design them in line with their development priorities, while at the same time collaborating with donors. In this regard, the full untying of ODA would be a step in the right direction. Greater efforts should be made to improve aid coordination and to simplify donor reporting requirements. The United Nations Development Assistance Framework, the World Bank's comprehensive development framework, the International Monetary Fund (IMF)/World Bank poverty reduction strategy papers and national poverty reduction papers prepared in response to the Copenhagen Declaration on Social Development should be consolidated in order to reduce the burden on host countries and facilitate implementation.

49. To support the priority of social development, donor and recipient countries should consider the mutual commitments to allocate, on average, 20 per cent of bilateral ODA and 20 per cent of the national budget, respectively, to basic social programmes.

50. Many of these actions require the quality and effectiveness of the public sector in developing and transition economies to be enhanced. The international community, including the United Nations system, should continue to support capacity-building in those countries and should provide adequate resources for that purpose.

External debt

51. The enhancements to the heavily indebted poor countries (HIPC) initiative adopted in September 1999 should be implemented in full and without delay. In addition, an entirely new approach to handling the debt problem of the heavily indebted poor countries needs to be considered in the future, as proposed by the Secretary-General in his Millennium Report (A/54/2000).

52. The main components of a new approach should include the immediate cancellation of the debts owed by countries that have suffered major conflicts or natural disasters; expanding the number of countries in the HIPC scheme by allowing them to qualify on grounds of poverty alone; pegging debt repayments at a maximum percentage of foreign exchange earnings; and establishing a debt arbitration process to balance the interests of creditors and sovereign debtors and introduce greater discipline in their relations.

53. The international community should also take measures to address the debt problems of middle-income developing and transition economies, leading to the attainment of a sustainable debt situation for each of them.

54. Developed countries and multilateral organizations should continue to support efforts to strengthen the institutional capacity of developing and transition economies in debt management through specific debt management capacity-building programmes.

Global public goods

55. In an increasingly globalized world, the need to address cross-border problems and externalities, such as control of epidemic diseases, environmental protection and conflict prevention and peacekeeping, has become imperative. Those concerns can be addressed effectively only through international cooperation among all countries. However, developed countries should assist developing countries in removing obstacles to their adequate contribution to the provision of essential public goods. These activities should be funded by additional resources and not by tapping ODA.

3. International trade policy

56. Support should be provided to developing countries and countries with economies in transition in their efforts to identify trade policy tools to make their

development policy more effective and in their negotiations for accession to WTO. Such efforts should take into account countries' different stages of development and provide for special and differential treatment, as established and recognized in the various decisions of the General Assembly, the United Nations Conference on Trade and Development (UNCTAD) and WTO.

57. The problems that some countries have had with respect to certain WTO agreements due to human, institutional and financial constraints should be addressed urgently so as to ensure that the multilateral trading system results in mutual benefits for all countries. Any new WTO agreements should contain provisions for assistance to developing and transition countries to enable them to establish the infrastructure and other conditions necessary for the effective implementation of those agreements and to ensure that they reap their full benefits.

58. Developing countries should take measures to improve their competitiveness in international commodity markets, such as by establishing cooperative arrangements among enterprises to improve supply reliability and quality. Existing mechanisms to help stabilize commodity export earnings should be improved. Market transparency and the availability of information should be improved and developing country enterprises should enhance their capacity to access and use information, particularly in electronic form. Training to that end should be supported.

59. Developing countries should enter into a third round of negotiations to deepen and expand the Global System of Trade Preferences among Developing Countries.

60. Developed countries should reduce tariff levels and simplify tariff structures to encourage exports from developing and transition economies. Barriers to entry in those sectors where those countries have the best chance of exporting, such as textiles, clothing and food products, should be removed. Concrete action should be taken so that a greater number of developing countries, in particular least developed countries, can benefit effectively from the Generalized System of Preferences (GSP) and other preferential arrangements. Any sanitary and phytosanitary measures (SPS) should be adopted in line with the SPS Agreement. Developing countries should be enabled to participate fully in the elaboration of international standards in those fields.

61. Special and differential treatment (SDT) to maintain and expand export opportunities for developing countries should be adapted to changing international trading conditions so that it is a better instrument for development, enabling developing countries, in particular the least developed countries, to gradually integrate into the multilateral trading system. Developing countries should be enabled to make full use of the SDT provisions.

62. International support should be given to developing and transition economies to assist them in the development of competitive supply capacities. Special and differential treatment in WTO agreements, such as the Agreement on Subsidies and Countervailing Measures, should be considered in order to better reflect the developing countries' needs.

63. Restrictive business practices (RBPs) should not be allowed to impede or negate the realization of benefits arising from the liberalization of tariff and non-tariff barriers, particularly those affecting the trade and development of developing countries. Efforts should be made to tackle the negative effects of RBPs by, *inter alia*, promoting competition, controlling concentration of economic power and encouraging innovation. Enterprises should be prevented from establishing market barriers where governmental controls have been removed.

64. Financial and technical assistance should be provided to address the problem of food security in net food-importing developing countries. In particular, concrete measures should be taken to ensure the implementation of the Marrakech Ministerial Decision on Measures Concerning Possible Negative Effects of the Reform Programme on Least Developed and Net Food-Importing Developing Countries.

65. The special and differential measures in favour of least developed countries contained in the Final Act of the Uruguay Round, especially the Marrakech Declaration and Ministerial Decisions, should be implemented in full and as a matter of priority. Market access conditions for products of export interest to least developed countries should be improved on as broad and liberal a basis as possible. Developed countries should grant duty-free and quota-free market access for all exports originating in least developed countries, and should adopt other measures to

maximize market access for least developed countries. Developing countries should also contribute to improved market access for least developed countries' exports. All countries that announced market access commitments at the high-level meeting on integrated initiatives for least developed countries' trade development held in October 1997 should implement those commitments fully and expeditiously.

66. Developing countries should endeavour to strengthen their institutional, financial and human capacities and regulatory framework in the services sector to enable them to engage effectively in international trade in services. Assistance should be provided to developing countries in upgrading and developing their services infrastructure and in securing reliable information on the extent of services trade and on market access and barriers to services trade. Within the framework of the General Agreement on Trade in Services (GATS), particular efforts should be made to liberalize sectors and modes of supply of interest to developing countries, including the supply of services via the temporary movement of people. Disciplines should be formulated in such a way that provisions on requirements, qualification procedures, licences and technical standards do not constitute barriers to trade.

67. In order to take advantage of the potential of electronic commerce as a means of exporting labour-intensive services, developing countries need access to modern telecommunications infrastructures and networks at low cost. At the same time, electronic commerce should not be seen as a substitute for easing restrictions on the supply of services through temporary movements of natural persons.

4. Technological development and protection of intellectual property

68. Technology does not automatically flow from technology-rich to technology-poor countries and the technological gap between developed and developing countries is wide and increasing in most cases. Reducing that gap requires efforts on the part of developing and transition economies to acquire and cultivate technology and efforts on the part of developed countries to transfer technology and know-how to them.

69. In order to encourage technological development, developing and transition economies should promote human resource development, strengthen their policy and legal frameworks, ensure a competitive environment, encourage the establishment of more sophisticated industries, establish science and technology institutes and related infrastructure, and promote business support services. Developed countries should adopt measures that encourage the transfer of technology, particularly environmentally sound technologies, to transition and developing countries, in particular the least developed countries. Assistance should be provided in assessing specific technology needs, identifying technology suppliers and concluding mutually beneficial technology agreements and partnerships in such areas as information technology, biotechnology and environmentally sound technologies. There should be an exchange of best practices and the provision of technical and financial assistance to countries seeking to improve their technological capabilities. In accordance with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), developed countries should provide incentives to their enterprises and institutions to promote and encourage technology transfer to the least developed countries.

70. Information and communication technologies (ICTs) are central to the creation of and participation in the global knowledge-based economy and society. ICT can play an important role in accelerating growth, eradicating poverty and promoting sustainable development in developing countries and economies in transition. ICT is also critical in facilitating the integration of these countries into the global economy. However, the experience of developed countries shows that large-scale waste can result from indiscriminate investments in ICT. Developing countries and economies in transition should draw lessons from these experiences and adopt strategies that will enable them to capture the benefits of ICT and avoid misinvestment.

71. Such strategies should include galvanizing the necessary political will at the highest level, devising national ICT development plans, developing the necessary human and institutional capacities and, crucially, providing a conducive policy framework to help create stable and expanding markets for ICT. That framework should include liberalization and privatization of ICT activities, facilitation of competition, a sound regulatory environment and public action to authenticate ICT services and electronic commerce. At the international level, the United Nations system should provide global leadership at the highest level and

mobilize and commit the necessary resources to bridge the digital divide. Other actions should include the promotion of cultural and linguistic diversity and local content in cyberspace, as well as the promotion of global partnerships to foster knowledge flows for development.

72. In the current environment of intensifying globalization, rapid technological advance and a knowledge-intensive economy, creative and innovative activity plays a key role in all aspects of development. Intellectual property is relevant in such fields as food security, health, labour, trade, traditional knowledge, culture and heritage, the environment, biological diversity and scientific and technological advancement. All countries should establish regulatory frameworks to provide effective protection of intellectual property. The World Intellectual Property Organization (WIPO), in partnership with the private sector, civil society and other stakeholders, should continue to promote and protect intellectual property as a strategic tool for development.

D. Social development

1. Education

73. Over the past decade, progress has been in many countries towards universal and equitable access to quality education, but there continue to be major concerns about education of girls, women and vulnerable groups, and about the quality of education, equity in education and the efficient and effective use of resources for education. Lifelong learning and the use of new information technologies have become important additional challenges.

74. All Governments should:

(a) Expand and improve comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children;

(b) Ensure that all children, with special emphasis on girls, particularly the poorest, working children and children with special needs, complete a good quality primary education by 2015;

(c) Ensure that the learning needs of all young people are met through equitable access to appropriate learning and life-skills programmes;

(d) Provide equitable access to basic and continuing education programmes for adults, achieving at least a 50 per cent reduction in current gender disparities within a decade;

(e) Eliminate gender disparities in primary and secondary education by 2005, as a milestone towards achieving gender equality in education programmes, institutions and systems by 2015;

(f) Improve all aspects of the quality of education so that recognized and measurable learning outcomes are achieved, especially in literacy, numeracy and essential life skills.

75. To achieve those goals, Governments and the international community should:

(a) Mobilize strong national and international political commitment for education for all, develop national action plans and enhance significantly investment in basic education;

(b) Promote "Education for all" (EFA) policies within a sustainable and well-integrated sector framework clearly linked to poverty elimination and development strategies;

(c) Ensure the engagement and participation of civil society in the formulation, implementation and monitoring of strategies for educational development;

(d) Develop responsive, participatory and accountable systems of educational governance and management;

(e) Meet the needs of education systems affected by conflict, natural calamities and instability and conduct educational programmes in ways that promote mutual understanding, peace and tolerance, and help to prevent violence and conflict;

(f) Implement integrated strategies for gender equality in education which recognize the need for changes in attitudes, values and practices;

(g) Urgently implement education programmes and actions to combat the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) pandemic;

(h) Create safe, healthy, inclusive and equitably resourced educational environments conducive to excellence in learning and clearly defined levels of achievement for all;

(i) Enhance the status, morale and professionalism of teachers;

(j) Harness new information and communication technologies to help achieve EFA goals;

(k) Systematically monitor progress towards EFA goals and strategies at the national, regional and international levels;

(l) Build on existing mechanisms to accelerate progress towards education for all.

2. Health

Health care

76. The Alma-Ata Declaration of 1979 remains the basis for achieving "Health for all". At several of the global conferences in the 1990s, Governments renewed their commitment to ensuring the highest attainable standards of physical and mental health and the access of all to primary health care, and set or reconfirmed, the goals for infant mortality, maternal mortality and reproductive health.

77. As called for by the International Conference on Population and Development, all countries should take steps to meet the family-planning needs of their populations as soon as possible and should, in all cases by the year 2015, seek to provide universal access to a full range of safe and reliable family-planning methods and to related reproductive health services that are not against the law. Public, private and non-governmental family-planning organizations should remove all programme-related barriers to family-planning use by the year 2005 through the redesign or expansion of information and services and other measures to increase the ability of couples and individuals to make free and informed decisions about the number, spacing and timing of births and to protect themselves from sexually transmitted diseases.

78. All countries should make primary health care, particularly reproductive health care, universally available by the end of the decade. Countries should aim to achieve by 2005 a life expectancy at birth greater than 70 years and by 2015 a life expectancy at birth greater than 75 years. Countries with the highest levels of mortality should aim to achieve by 2005 a life expectancy at birth greater than 65 years and by 2015 a life expectancy at birth greater than 70 years.

79. Countries should strive to reduce their infant and under-5 mortality rates, with appropriate adaptation to the particular situation of each country. By 2005, countries with intermediate mortality levels should aim to achieve an infant mortality rate below 50 deaths per 1,000 births and an under-5 mortality rate below 60 deaths per 1,000 births. By 2015, all countries should aim to achieve an infant mortality rate below 35 per 1,000 live births and an under-5 mortality rate below 45 per 1,000 births.

80. Countries should reduce their maternal mortality rate to one quarter of its 1990 level by 2015. Countries with intermediate levels of mortality should aim to achieve a maternal mortality rate below 100 per 100,000 live births by the year 2005 and a rate below 60 per 100,000 live births by the year 2015. Countries with the highest levels of mortality should aim to achieve a maternal mortality rate below 125 per 100,000 live births by 2005 and a rate below 75 per 100,000 live births by 2015.

81. Much remains to be done to achieve those goals. At the global level, increased attention is needed to protect the health of poor and marginalized populations and otherwise reduce health inequalities; to counter the potential threat to health from nutritional deficiencies, environmental hazards and risky behaviour; to develop more effective health systems; and to invest in health research, especially for new vaccines and drugs. Special focus is needed on such global challenges as the HIV/AIDS epidemic, especially in Africa (see paras. 140-142 below), the resurgence of malaria and tuberculosis and the consequences of tobacco use. Public-private partnerships, such as those in research and development on vaccines for HIV/AIDS, malaria, tuberculosis and other diseases, should be encouraged and supported. Governments should unite behind such key initiatives as Roll Back Malaria (aiming to halve malaria deaths by 2010), the Tobacco-Free Initiative, the International Partnership against AIDS in Africa, and the Children's Challenge Campaign (Global Alliance for Vaccines and Immunizations).

Drug abuse

82. The special session of the General Assembly in 1998 devoted to the problem of drug abuse recognized demand reduction as an indispensable pillar in countering that multidimensional problem. All countries and the international community should adhere to the session's Political Declaration, wherein

Member States committed themselves: (a) to establishing the year 2003 as a target date for having in place new or enhanced demand reduction strategies and programmes, in close collaboration with public health, social welfare and law enforcement authorities; and (b) to achieving significant and measurable results in the field of demand reduction by the year 2008. The Action Plan for the implementation of the Declaration on the Guiding Principles of Drug Demand Reduction should help all countries find adequate responses to drug abuse, based on regular assessments of the problem, knowledge acquired from research and lessons derived from past programmes. All countries in partnership with the United Nations International Drug Control Programme (UNDCP) should establish national and regional drug abuse monitoring systems and facilitate the sharing of information on best strategies and practices.

3. Children

83. Since the adoption of the Convention on the Rights of the Child in 1989 and the World Summit for Children in 1990, more progress has been made for the world's children than in any comparable period, demonstrating that concerted efforts by Governments, with international mobilization and support, can have concrete results. Nevertheless, intensified national efforts to respect, protect and fulfil the rights of children and the commitment and mobilization of the international community are required to meet most of the targets set at the Summit.

84. Three areas should be given priority attention: (a) providing nurturing, care and a safe environment that enables children to survive and to be physically healthy, mentally alert, emotionally secure, socially competent and able to learn; (b) the opportunity to complete a basic education of good quality; and (c) for adolescents, the opportunity to fully develop their individual capacities in safe and enabling environments so that they can participate in and contribute to their societies. Priorities for cooperation should continue to include the support of national efforts and local initiatives to ensure safe motherhood, immunize children, promote their nutrition and healthy growth, protect them against death from dehydration, reduce their exposure to malaria and provide them with opportunities for good quality primary education.

85. All countries should adhere to the International Labour Organization (ILO) Convention on the Elimination of the Worst Forms of Child Labour that was unanimously adopted in 1999, and should set specific target dates for eliminating child labour.

4. Employment

86. The Copenhagen Declaration on Social Development and the Programme of Action of the World Summit for Social Development committed the international community to promoting the goal of full employment as a basic priority of our economic and social policies, and to enable all men and women to attain secure and sustainable livelihoods through freely chosen productive employment and work. Governments should ensure that employment creation is a central feature of policy formulation and, through policies on education, training and labour, should enhance employment opportunities for groups with special needs. As the liberalization of trade and capital flows have not been matched by commensurate increases in labour mobility and skills, special initiatives are needed to ensure that labour is not adversely affected by globalization. There should be greater integration of policies for economic growth, with policies for employment creation. Better monitoring and evaluation are required to understand the social, human and financial costs of unemployment, underemployment and low-quality and unproductive work and to assess the employment impact of public policies and programmes. There should be more exchange of experience on successful policies and programmes aimed at increasing employment and reducing unemployment.

87. More opportunity for education at all levels is necessary to provide the growing labour force with enough skills to qualify for the types of employment that are growing rapidly in the global economy. In order to raise productivity and provide for increases in real wages, vocational and other job-related training should be promoted.

88. Since small and medium-sized enterprises (SMEs) excel at job creation, developing and transition economies should promote the growth of SMEs. These measures could include providing information on markets and providing new support structures, such as programmes for entrepreneurship, credit, capacity-building and training, for example to meet new standards being set in international negotiations.

89. As called for in the Declaration on Fundamental Principles and Rights at Work adopted by the

International Labour Conference in June 1998, international organizations should support efforts to promote through technical cooperation and advisory services the labour principles and rights recognized in the Copenhagen Declaration, namely freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation.

90. Newly emerging employment issues that should be addressed nationally in the coming decade include the growing informalization of employment, the growing number of the working poor and strategies to increase the employment impact of economic growth.

5. Social integration

91. Social integration is both a precondition and a consequence of poverty alleviation and unemployment; it requires its own operational policies to balance the forces of unification and fragmentation. Achieving or maintaining unity with diversity is a challenge for all countries and a pressing need in countries with protracted social conflict. Social integration strategies need political, economic, cultural and social components in order to address the polarization of identity-based groups and the marginalization of disadvantaged groups, and in order to cultivate volunteering, strengthen civil society and address relationships between civil society and government in ways that enhance collaboration and participation. Specific targets in the area of social integration could pertain to broad participation in decision-making, balanced media representation, the spread of civic education and the cultivation of life skills (such as dialogue, resilience and resourcefulness).

6. Ageing of the population

92. Population ageing is now worldwide and is accelerating in developing countries. The world is expected to have two billion people (one out of every five) over the age of 60 in 50 years, over 80 per cent of whom will live in developing countries. Population ageing affects social and economic support systems, including labour and capital markets, government pensions and services and traditional support systems. It imposes further pressures on traditional and formal support systems, and particularly affects health care and income security. At the same time, the recognition of older people as a valuable resource is in the interest of society at large, especially as the average number of productive years of older people has increased. Family and community networks, which are vital to ageing populations, should be strengthened to increase intergenerational cohesion, especially in developing countries, where many aspects of modernization and globalization are rapidly loosening family ties.

E. Environmental protection and sustainable development

1. Issues concerning Agenda 21 and the five-year review of the United Nations Conference on Environment and Development

93. Economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development. Achieving sustainable development requires the attainment of a number of interdependent and mutually reinforcing goals.

94. Agenda 21 and the principles enunciated in the Rio Declaration on Environment and Development and the Non-legally Binding Authoritative Statement of Principles on the Management, Conservation and Sustainable Development of All Types of Forests, as well as the provisions of all international conventions on environment and development, provide the basis for action at the global, regional, national and local levels for achieving sustainable development. The full implementation of the commitments and objectives contained in those agreements should remain the goal for the coming decade At the five-year review of the United Nations Conference on Environment and Development, Member States reaffirmed the paramount importance of Agenda 21, which should continue to be the primary guide for the specific results-oriented measures that should be implemented in individual sectors.

95. All countries should strive to promote sustainable consumption patterns. Developed countries should take the lead in working towards that goal; developing countries should seek to achieve sustainable consumption patterns in their development process, avoiding replication of patterns prevalent in industrialized countries which are harmful to the environment and wasteful of natural resources. Governments should consider incorporating the United Nations system of

"green accounting" into national accounts in order to reflect those costs. The business sector should shape more sustainable patterns of production and consumption by encouraging producer responsibility and by promoting such measures as environmental audits, environmental impact assessments and the development of "green" products. Eco-efficiency measures should be supported to improve the efficiency of resource use and to reduce the waste stream.

96. All countries should adopt a balanced and integrated approach to trade and sustainable development, based on a combination of trade liberalization, economic growth and environmental protection.

97. All countries, individually and collectively, should adopt the goal of halving the proportion of people who do not have access to safe drinking water and sanitation. Developed countries should provide financial and technical support to developing countries to help realize that objective. The provision of adequate water supply for all uses requires an integrated, multisectoral, participatory approach, based on demand — as well as supply-side considerations and on building local capacity for the use of appropriate technologies. Public and private investments to improve water supply and wastewater treatment should be encouraged, including such water conservation measures as economic valuation of water and appropriate water pricing.

98. There should be greater efforts, including enhanced international cooperation, to promote energy conservation, improving energy efficiency, and to support wider use of renewable energy. Research on and development and use of renewable sources of energy should be promoted; in the case of fossil fuels, further research, development and the application and transfer of cleaner technology should be encouraged.

99. As agreed at the five-year review of UNCED, all countries should complete by 2002 the formulation of national sustainable development strategies. Thereafter, there should be regular assessments of progress and exchanges of experience among Governments. The adoption of local Agenda 21 processes and other initiatives by major groups should be actively encouraged. To enhance the impact of such processes, particularly in least developed countries, supportive national policy and fiscal frameworks should be created and national and international development assistance programmes should become more responsive to local Agenda 21 action plans. Norms and tools for good urban governance should be fully integrated in local Agenda 21 processes.

100. A policy framework supportive of sustainable development should consist of a broad package of policy instruments, including national laws and regulations, such economic measures as the internalization of environmental costs in market prices, environmental impact analysis and information dissemination. The design and implementation of those policies should be a transparent and participatory process, involving not only Governments and national legislative assemblies but also all stakeholders of civil society.

101. To ensure success in the implementation of those policies, institutional capacity should be strengthened. A mechanism should be established to coordinate efforts within Governments and at the national and local levels. Environmental protection agencies should be established and strengthened to enhance the enforcement and monitoring capacity of Governments. The work of national sustainable development councils, whether sponsored by Governments or formed by civil society, and collaboration with their counterparts should be fully supported by Member States.

102. Continued efforts are needed to develop, utilize and disseminate cost-effective national indicators to measure progress in achieving the goals of sustainable development, including gender-disaggregated data and information.

103. *The full implementation of international* environmental agreements, notably the conventions on climate change, biological diversity, desertification, hazardous wastes and the law of the sea, should continue to be a key objective for the international community. Countries that have not yet ratified the Kyoto Protocol should take the necessary action so that it can enter into force by 2002. Developed countries should take specific action to meet their greenhouse gas reduction targets, entered into under the Protocol, within the established time-frames.

2. Specific environmental issues

Biotechnology

104. Genetic engineering and other biotechnologies have the potential to increase productivity in agriculture, forestry and fisheries and to improve the nutritional

quality of food products. However, agricultural genetic engineering to date has focused on increasing the production efficiency of modern intensive farming. More research is needed on bio-safety and on applications of genetic engineering for sustainable agriculture in developing countries. Special measures need to be taken at the international level to ensure an adequate allocation of resources for biotechnology research on issues of high relevance to developing countries, such as drought-tolerant crops and biological nitrogen fixation. There is also a need to increase the participation of developing countries in research, development and application of biotechnologies. International organizations, such as the Food and Agriculture Organization of the United Nations (FAO) and the Consultative Group on International Agricultural Research, should contribute to such efforts.

105. All countries should ratify the Convention on Biological Diversity and contribute to the conservation of biological resources, their sustainable use and the fair and equitable sharing of benefits arising from the utilization of genetic resources. They should also complete the revision of the international undertaking on plant genetic resources for food and agriculture, whose objective is to ensure the exploration, collection, conservation, evaluation, utilization and availability of plant genetic resources, in order to harmonize it with the Convention on Biological Diversity. Those agreements and related World Trade Organization agreements, including the TRIPS Agreement, should be implemented consistently with a view to promoting sustainable agricultural development.

106. All countries should sign and ratify the Cartagena Protocol on Biosafety concerning the transboundary movement of living modified organisms and should support its effective implementation. Countries and international organizations should promote further research on possible environmental and health risks of genetic engineering and other biotechnologies. They should also contribute to international efforts to maximize the positive effects and minimize the possible negative impacts of biotechnologies in agriculture, such as the efforts of the FAO/World Health Organization (WHO) Codex Alimentarius Commission and the intergovernmental Commission on Genetic Resources for Food and Agriculture. FAO and other organizations concerned with agricultural development should assist developing countries in elaborating policies to promote the safe use of biotechnologies for development.

Sustainable forestry

107. Deforestation continues in developing countries, driven mainly by the need for land for agriculture and other purposes. Forests in both developed and developing countries are threatened by a range of pressures, such as the demand for wood products, the demand for recreational use, airborne pollution, the demand for fuelwood and forest fires. Reduced or degraded habitats threaten biological life at the gene, species and ecosystem levels, including their potential for the provision of key products and services.

108. Some progress has been made in reversing the current trends in deforestation and degradation and in moving towards the sustainable management of all forests. The international community has continued its dialogue on forestry issues through the Intergovernmental Forum on Forests (former Intergovernmental Panel on Forests), which at its final meeting recommended to the Economic and Social Council through the Commission on Sustainable Development the establishment of the United Nations Forum on Forests to promote and facilitate long-term international arrangements to manage and protect all types of the world's forests. In addition to institutional and legal issues, other issues that might be addressed include the underlying causes of deforestation and forest degradation; the need for planning in the forestry sector through the national forest programme approach, which includes the contribution of the forestry sector to sustainable livelihoods; forest conservation and protected areas; the special forestry needs and requirements both of countries with low forest cover and small island developing States; forest assessment; the conservation of forest biological diversity; the management of forests in watersheds; forests fires; soil and water conservation; trade in forest products and its impact on the environment; the transfer of technologies; and the need for increased financial resources for sustainable forest management.

F. Human settlements

109. The Habitat Agenda adopted by the United Nations Conference on Human Settlements (Habitat II) has two themes "Adequate shelter for all" and "Sustainable human settlements development in an

urbanizing world". The urban poor themselves produce the vast majority of shelter in developing countries and national policies should support those initiatives, such as by granting secure tenure in order to attract resources, effort and investment, and by providing urban services and improved access to credit. Good urban governance is also needed to promote sustainable human settlements development. All Governments, local authorities and civil society partners should support the Global Campaign for Good Urban Governance and the Global Campaign for Secure Tenure as two strategic means for effective implementation of the Habitat Agenda.

110. In 1950, the urban population represented less than 30 per cent of the world's population; by 2020, it will be 60 per cent, with the urban growth rate in developing countries being five times higher than that of developed countries. Policies to prevent the inflow of urban migrants have been ineffective, and experience has shown that in the longer term well-managed urbanization is called for. As noted in the Habitat Agenda, urban settlements, properly planned and managed, hold the promise for human development and the protection of the world's natural resources through their ability to support large numbers of people while limiting their impact on the natural environment. However, roughly one third of the urban population in developing countries live in squatter settlements or slums that lack water and sanitation and health and education facilities. As part of the effort to address that problem, all countries should support the Cities Without Slums Initiative and similar national and international programmes with a view to achieving a significant improvement in the lives of at least 100 million slum dwellers by 2020.

111. To mitigate the impact of the increasing number of disasters, both natural and human-caused, it is necessary to establish systems that identify and assess risks and vulnerabilities in disaster-prone areas and to integrate them into human settlements planning and design. Actions are required at appropriate levels of government, in partnership with the private sector and community groups, to put into place disaster preparedness and response capacities that are coordinated in their planning but flexible in their implementation.

G. Human rights and governance

112. All countries and peoples should abide by the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Convention on the Elimination of All Forms of Racial Discrimination, the Convention on the Elimination of All Forms of Discrimination against Women and the Convention on the Rights of the Child.

113. All Governments should ensure full participation and empowerment of women at all levels of decision-making; gender equality; effective participation of civil society (private sector and non-governmental organizations); effective decentralization of power, where appropriate; universal access to knowledge, information and education; equity and a voice for the poor; political and cultural pluralism and freedom of association and expression; the rule of law and respect for human rights; legitimacy and consensus on societal decisions; and attitudes and values fostering responsibility, solidarity and tolerance.

114. To ensure the rule of law, there should be an independent judiciary and a fair system of crime prevention and criminal justice, and Governments should promote a culture of lawfulness. Criminal justice systems should be made to work better by making them both more effective as crime-control systems and more just and protective for human rights.

115. There should be extensive participation of civil society in public decision-making and a high degree of transparency and accountability in the public sector. The relationship between the state and the citizen should be based on policies that guarantee the fundamental freedoms and human rights of the individual so that personal initiatives can contribute to socio-economic development. Civil society's participation in the political process should be supplemented by forms of corporate governance that also ensure widespread participation in economic decision-making.

116. Economic governance should be based on interaction between State institutions and markets. The development of increasingly market-oriented economies should be supplemented by a redefinition of the functions of the nation State in political and economic governance, especially taking into account globalization and technological change. The public-private divide

should be such that public policies create an enabling environment for private-sector development. National and international governance systems should provide the legal and institutional frameworks which support markets and regulate private-sector activities. Internationally, globalization underlines the need to establish effective international economic regimes based on intergovernmental agreements.

117. Nationally, Governments should constantly review their basic functions and develop their policy capacities and institutional arrangements to promote development. Governments should adopt public expenditure, tax, regulatory and competition policies that combine economic efficiency and social justice. The State should organize social security systems capable of providing protection against basic risks, such as old age, sickness and unemployment.

118. For effective implementation of public policies, Governments need adequate managerial and administrative capacities. Public-sector and administrative reforms should be undertaken and new managerial approaches adopted to ensure that the civil service is able to provide high-quality public services. The systems of public-sector, financial, human-resource and information management should be continually modernized. Procedures to ensure the accountability of government operations and policies to ensure ethical conduct and to avoid corruption should be enforced. Governance systems should ensure an adequate role for different branches of government, especially the legislative branch and an independent judiciary, which requires adequate constitutional and administrative laws. Fiscal and administrative matters should be decentralized as far as possible.

H. Culture and development

119. The World Commission on Culture and Development (1995) argued persuasively that sustainable development and the flourishing of culture are interdependent. Culture is the flow of memories, meanings and bonds. It comprises both the heritage upon which collective identities are based and the creativity that empowers people to enrich and renew those identities. Culture provides individuals and societies with the energies and cohesion they need in order to cope with uncertainty and rapid change in an increasingly complex world. It is a factor of economic growth as well, for cultural heritage, cultural tourism and the cultural industries contribute significantly to income and employment generation.

120. By the same token, cultural diversity is as essential to sustainable development as biological diversity, so that the peoples of the world may forge their own paths of development without losing their identity. The pressures of globalization makes it even more imperative to elaborate strategies to address that challenge.

121. That twofold vision was endorsed by the Intergovernmental Conference on Cultural Policies for Development (Stockholm, 1998), which recommended to Governments that they make cultural policy one of the key components of development strategy and called explicitly for the integration of a cultural perspective into the next international development strategy.

I. Actions related to countries in special situations

1. Africa and the least developed countries

122. There should be a renewed commitment on the part of the international community to accord special priority to the development needs of the world's poorest countries, especially the least developed countries and countries in Africa. The report of the Secretary-General on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318) emphasized the link between peace and development and made a series of recommendations aimed at addressing, in an integrated way, the political and security, as well as the economic and social, causes of conflicts in the region. The international community should ensure that those recommendations are implemented. Similarly, both donor countries and the least developed countries themselves should honour the commitments made in the Programme of Action for least developed countries for the 1990s.

123. A long-term solution to the debt problem of Africa and the least developed countries must be found. Donors should ensure full funding of the HIPC initiative. Official creditors should convert into grants all remaining official bilateral debt of the poorest African countries. Debt relief should be additional, rather than a substitution of one form of assistance for another (such as ODA).

124. Donor countries should increase the volume of ODA to those countries, ensure that at least 50 per cent of aid to Africa is spent in recipient countries and restructure aid to focus on high-impact sectors, including rural water supply, basic education and primary health care. Donors should also direct assistance to upgrading skills and promoting trade by funding investments in physical infrastructure in Africa and the least developed countries which would help to attract private investment. Aid should be untied in order to achieve greater effectiveness.

125. The shares of total international private capital flows going to Africa and the least developed countries are approximately 5 per cent and less than 2 per cent, respectively. A disproportionately large share is channelled into extractive activities in the oil, mining and forestry sectors, with limited backward- and forward-linkage effects on those economies. Developed countries should encourage more private sector investment in other sectors in Africa and the least developed countries.

126. All tariffs and quotas on the exports of the least developed countries should be eliminated. All countries should reduce tariff peaks and tariff escalation in order to encourage vertical diversification in Africa and the least developed countries. To strengthen the supply capacity of least developed countries, additional support should be provided by donor countries to the Integrated Framework for Trade-related Technical Assistance. Special attention should also be paid to assisting African countries to benefit from electronic commerce, and more resources should be allocated to assist Africa and the least developed countries in developing their trade negotiating capacities.

127. Donor countries should provide financial assistance to the Programme for the Economic Diversification of Africa. Additional support should be provided to United Nations agencies to enable them to assist countries in Africa and the least developed countries in increasing their competitiveness in trade. The activities of the Second Account of the Common Fund for Commodities should be expanded to finance research and development, extension services and adaptive research on production and processing aimed particularly at smallholders and small and medium-sized enterprises in Africa and the least developed countries. Technical support should be given to those countries which would like to establish national diversification councils to bring together governmental, private-sector and non-governmental organizations that plan and operationalize national strategies for diversification.

128. Donor countries and international institutions should facilitate the transfer of private as well as publicly funded technologies to Africa and the least developed countries. Special consideration should be given to biotechnologies that could help to solve the food security problems of Africa and the least developed countries. Donors should support the exchange of experiences between and among countries and should provide additional financial assistance to the United Nations Educational, Scientific and Cultural Organization (UNESCO) International Fund for Technological Development for Africa. The international community should also review ways in which intellectual property systems can be used to ensure that the poorest countries have access to prophylactic and curative drugs.

129. WTO members should revisit the TRIPS Agreement to advance the cause of public health in Africa and the least developed countries.

2. Small island developing States

130. All parties should implement the policies, actions and measures at the national, regional and international levels set out in the Programme of Action for the Sustainable Development of Small Island Developing States. While it is up to the small island developing States themselves to pursue sustainable development, all partners should foster an enabling environment to support States in that regard. Action should focus on promoting investment and resource mobilization, transferring environmentally sound technologies and strengthening capacity-building.

3. Landlocked developing countries

131. The lack of territorial access to the sea, isolation from world markets and high transit costs and risks impose serious constraints on the socio-economic development of landlocked developing countries. These countries and their transit neighbours should strengthen regional, subregional and bilateral cooperation and collaboration regarding, *inter alia*, the improvement of the physical infrastructure of transit transport systems, joint ventures in the area of transit transport, arrangements governing transit transport operations, the simplification, harmonization and

standardization of transit procedures and documentation (including through the application of information technologies), and institutions and human resources dealing with transit transport.

132. All States, international organizations and financial institutions should implement the actions related to the needs and problems of landlocked developing countries agreed upon in resolutions and declarations adopted by the General Assembly, in the outcomes of major United Nations conferences and in the Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries and the Donor Community. They should also take fully into account the agreed recommendations and conclusions of the fourth meeting of governmental experts from landlocked and transit developing countries and representatives of donor countries and financial and development institutions.

133. The improvement of transit transport facilities and services should be integrated into the overall economic development strategies of the landlocked and transit developing countries, and donors should take those requirements into account. Donor countries and multilateral financial and development institutions should provide landlocked and transit developing countries with financial and technical assistance for the construction, maintenance and improvement of their transport, storage and other transit-related facilities.

4. Post-conflict countries

134. The root causes of conflict in a society that is emerging from war or acute turmoil must be identified and addressed in order to achieve the overriding goal of avoiding the recurrence of war or chaos, which usually means a departure from the priorities and allocation of resources that apply in normal situations.

135. Peace-building requires a mutually reinforcing political strategy and assistance programme, incorporating human rights and cultural considerations and humanitarian and development programmes. Developmental and humanitarian programmes must contribute to consolidating peace and preventing renewed conflict, as well as improving conditions of life and relieving hardship. There must be smooth coordination of emergency relief, rehabilitation and reconstruction, and these, in turn, must feed into normal development activities.

136. The early launch of reconstruction and development activities, in tandem with humanitarian assistance, in a post-conflict environment can complement and underpin political stability. Even in the midst of active conflict, except in the most acute phases, some rehabilitation and reconstruction activities and some development tasks can be undertaken, thereby reducing both long- and short-term vulnerability. The objective should be to ensure that conflict is resolved on a lasting basis and that the process of long-term and sustainable development is resumed as expeditiously as possible.

137. Rebuilding governance structures, especially at the local level, and community links are key elements of durable post-conflict rehabilitation and peace-building. The regularization of land uses and housing and property rights, as well as the restoration of effective local government institutions, are essential measures to build confidence in the rehabilitation process and to trigger investment in social and economic development activities.

138. Donor countries should harmonize procedures for the release of emergency and reconstruction funds and should establish funding mechanisms specifically tailored to rehabilitation needs. International support should be particularly directed towards the demobilization and rehabilitation of ex-soldiers; the rehabilitation of infrastructure, particularly schools, health facilities, water supply and sanitation; and above all, the creation of employment opportunities and the reduction of poverty and inequities.

139. Where a country's capacity to develop has been disrupted by conflict, the financial conditions imposed by international lending institutions should be relaxed. Special measures also should be put in place to help those countries emerging from conflicts to clear their arrears with the Bretton Woods institutions and to allow them to benefit from the HIPC initiative. Conflict prevention, including post-conflict peace-building, may require an urgent infusion of funds to support the State during a political transition. Conditionalities that are antithetical to a peace process and reductions in international funding should be avoided when a government is making a popularly supported effort to pursue reconciliation or implement peace agreements. Where economic reform is needed, structural adjustment programmes should be "peace-friendly", conditionality should be eased and adequate funding assured.

5. Countries with the highest prevalence of HIV/AIDS

140. In many countries of sub-Saharan Africa and increasingly in South and South-East Asia, the high prevalence of HIV/AIDS, particularly among persons in their most productive years, is having tragic effects, including social disruption and economic devastation.

141. Development strategies for the coming decade — especially those relating to poverty alleviation and economic development — must take HIV/AIDS fully into account. Many hard-won development gains have already been eroded by the pandemic; it has adversely affected not only life expectancy and child mortality rates but also education, employment (particularly the availability of skilled labour) and human rights.

142. All Governments, individually and collectively, should aim to reduce HIV infection rates by 25 per cent in the most affected countries by 2005 and globally by 2010. All countries should ensure that by 2005, at least 90 per cent of young people have access to the information, education and services they need to protect themselves against HIV infection, and that by 2010 that proportion is raised to 95 per cent. Those goals require comprehensive, multisectoral responses that involve a broad range of actors. Bilateral and multilateral donors should work with the Joint United Nations Programme on HIV/AIDS (UNAIDS) within the context of the United Nations Development Assistance Framework to coordinate development cooperation activities on AIDS. Donor countries should support intra- and interregional cooperation to share best practices on HIV/AIDS prevention. Donor Governments should also work with the pharmaceutical industry to develop an effective and affordable vaccine against HIV and to make HIV-related drugs more widely accessible in developing countries. In addition, there is a need to develop strategies for the prevention and control of HIV/AIDS in emergencies and conflict situations.

IV. Implementation and follow-up

143. Implementation of the strategy requires an integrated and coherent implementation and follow-up of the recommendations and commitments of the global conferences, including their recent five-year reviews, and of other major agreements on development. Governments have the primary responsibility for implementing these outcomes and the strategy. Political will, at the national and international levels, is crucial if the objectives of the strategy are to be achieved. A strong political commitment by the international community is needed to strengthen international cooperation for development.

144. In addition to political will, it is necessary to identify and mobilize the financial and human resources that will be required to implement the present strategy. In the absence of a clear demonstration that the political support for the strategy is backed by the resources to implement it, the strategy will lack credibility. Governments could address those issues in the context of the United Nations financing for development process, as well as in the reviews of and coordinated follow-up to the global conferences. So that Governments are able to meet their responsibilities for implementation at the national level, they should develop their partnerships with local authorities, the private sector, non-governmental organizations, women, youth and vulnerable and disadvantaged groups.

145. There should be periodic monitoring of the achievement of the policy and quantitative goals of the present strategy at the national, regional and international levels. Largely as a result of the global conferences, many international organizations are compiling additional indicators for assessing progress towards development goals. Those initiatives have set in motion efforts to improve definitions, collection methods and estimation procedures.

146. The extent to which countries are able to provide such information depends heavily on the availability of basic data collected through the national statistical system. However, data availability is determined by both financial and historical factors, and problems of quality, timeliness and availability of data persist. Since statistical activities are often inadequately funded, particularly in developing countries, the number of subject areas covered and the frequency of data collection are often limited. In addition, where the demand for data on specific topics is relatively new, concepts and methods may not have been developed or adequately tested. All countries should continue efforts to improve their capability to monitor the implementation of their development goals, particularly those of the present strategy. The international community should reinforce those efforts by providing both substantive support and resource.

147. The organs, organizations and bodies of the United Nations system have a special responsibility for pursuing the goals and objectives of the present strategy and keeping progress under review. The General Assembly and the Economic and Social Council should ensure that this is done. The General Assembly should monitor the implementation of the strategy in the context of its work on the follow-up to the conferences and summits, under a specific item to be included periodically in its agenda. The Economic and Social Council should continue to assist the General Assembly in this task by making recommendations to the Assembly on policies and procedures for an effective, efficient and coordinated follow-up to the major international conferences and the strategy. The Council should intensify its efforts to promote a coordinated and integrated follow-up to and implementation of the outcomes of the conferences and summits of the 1990s and of the present strategy. It should also deepen its dialogue with the international trade and financial institutions in order to improve coherence between the development objectives agreed by the international community and the functioning of the international trading and financial systems.

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Special economic, humanitarian and disaster relief assistance

Assistance for the rehabilitation and reconstruction of Liberia

Report of the Secretary-General

I. Introduction

1. The inauguration of an elected Government headed by President Charles G. Taylor in August 1997 constituted a significant landmark in Liberia's transition from civil conflict to peace and resumption of normal development activities. However, two and a half years after the inauguration, the path to sustainable peace and recovery remains uncertain, owing mainly to residual governance problems and inadequate external support to the country's reconstruction programme. The restoration of peace has not brought rapid and sustainable social and economic recovery, despite programmes initiated by the Government aimed at reconciliation and reconstruction. The peace process was supported by the international community with substantive technical and logistical support coming from the Economic Community of West African States (ECOWAS), the United Nations system, and Liberia's major donors, notable among which were the European Union (EU), the United States of America, the Netherlands, France, Denmark, Norway, Sweden, Germany, and the United Kingdom of Great Britain and Northern Ireland. The United Nations agencies, through the resident coordinator system, continued their support for the consolidation of the gains of the peace process.

2. After its inauguration, the Government launched the National Reconstruction Programme (NRP), to address critical needs arising from the conflict and to lay the foundation for sustainable long-term recovery. The process of formulating the NRP was highly participatory and took into consideration the views and contributions of the United Nations system, USAID, EU, the Bretton Woods institutions, and the civil society and non-governmental organizations operating within the country. The NRP identified the Government's priority areas as the consolidation of peace and democracy, resettlement, reintegration and active participation of the people, and rebuilding the physical, social, and institutional infrastructure that had been virtually destroyed during the conflict.

3. In view of the above-mentioned goals, international assistance is geared towards building capacity for participatory and accountable governance

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and recreating a social safety net for the population, which now stands at 2.6 million and grows at the rate of 2.4 per cent annually. Eighty percent of the country's population, as estimated by the United Nations Common Country Assessment (CCA), lives below the poverty line of US$ 1 per day. Per capita income level fell from $457 (1987) to $150 (1997) and had risen to only $225 in 1999. The infant mortality rate stands at 780 per 100,000 live births, with equally high mortality and morbidity rates among the adult population due to preventable and easily cured diseases. International assistance is also focused on rebuilding capacity for essential governmental operations, including the restoration of the effectiveness of the court system and confidence in the rule of law. United Nations assistance has continued in various forms of residual humanitarian and reconstruction activities, along the lines described below.

II. Specific actions taken in response to the Donors' Conference

4. The NRP was presented to donors at a conference held in Paris on 7 April 1998. The initial response was favourable, and pledges and commitments totalling $229.9 million, 109 per cent of the first-phase funding requirement, were made. A mini-donors' meeting was held in Washington, D.C. on 29 September 1999 to assess progress on the implementation of the NRP and the general situation in the country. One of the conclusions of that meeting was that donors should carry out a joint assessment mission to Monrovia. The mission was carried out from 15 to 19 November 1999.

5. The Monrovia meeting was attended by representatives from the United States, the Netherlands, the European Union (EU), the Economic Commission for Africa (ECA), the World Bank, the International Monetary Fund, The United Nations Peacebuilding Support Office in Liberia, the Department of Peacekeeping Affairs (United Nations Secretariat), and the United Nations Development Programme (UNDP). The mission was jointly led by the World Bank and UNDP. The mission objectives were:

(a) To assess the implementation of the NRP and the use of donor funds committed at the 1998 Paris meeting;

(b) To review progress on specific areas that continue to be sources of concern to donors, including the rice and petroleum monopolies, creation of an enabling environment for the private sector through, *inter alia*, strengthening of the legal and judicial framework, and governance and human rights;

(c) To consult on the follow-up actions to the mission's findings.

6. In an atmosphere characterized by frank and open exchange of views, the Government presented its outlook on the current situation in the country, the challenges faced, successes achieved, and the persistent constraints to the national recovery process. The mission made observations and reiterated the concerns of the international community in four areas: internal security; good governance (including respect for the rule of law); macroeconomic performance; and humanitarian assistance.

7. The general conclusion was that significant progress had been made in the implementation of the first phase of the NRP. Approximately 90 per cent of the resources committed at the Paris 1998 meeting were being utilized. Moreover, the overall security situation had improved considerably. There were also positive results from the resettlement of the conflict-affected population and rehabilitation of war-ravaged social infrastructure. In addition, notable progress had been made in stabilizing the macroeconomic environment through far-reaching monetary, fiscal and structural policy reforms. It should be noted, however, that major infrastructures such as the electricity grid, communications system, and roads remained dysfunctional while the financial system and the weak capacity in all sectors further constrained the recovery process.

III. Governance, security, and the rule of law

8. As a post-conflict country, Liberia is still a fragile political setting, with limited internal resources, growing poverty, and dwindling external assistance, which constitute important factors militating against smooth transition. The two armed incursions in the north of the country in 1999 are evidence of the continuing need for reconciliation and peace-building activities extending across the national borders. The political and security situation is highly susceptible to

subregional events, especially in neighbouring Sierra Leone, where significant progress in the peace process has been difficult to achieve and the relations between members of the Revolutionary United Front (RUF) the defunct Armed Forces Revolutionary Council (AFRC) and some officials in the Government of Liberia have been a source of regional tensions. Therefore, Liberia's role in mediating the 1999 peace process in Sierra Leone has had a positive impact on the tenuous relations between the subregional States and on its internal security. Efforts to facilitate outstanding issues of reconciliation, peace-building, repatriation and healing have been encouraged through regular, open, and frank discussions with the United Nations system.

9. ECOWAS has intensified its efforts to help consolidate peace in the subregion. They include support for the 2 March 2000 summit of the Heads of State of Guinea, Liberia, and Sierra Leone, held in Bamako, Mali, and that of their foreign ministers in Monrovia, Liberia, on 18 March 2000. The decision to revitalize the Mano River Union (MRU) institutions to deal with political, security, and socio-economic concerns between the three States featured prominently among the major outcomes of that process. Subsequent meetings are planned for the Heads of State and for ministers responsible for defence, security, the interior and foreign affairs during the month of May in Conakry and Freetown. To foster a sense of collective leadership and responsibility in the subregion, ECOWAS is broadening its initiatives, to allow for the participation of civil society groups and non-governmental organizations, and building stronger partnerships with ECA, the World Bank, and the United Nations system.

10. The Government, in recognition of the need to continue the demobilization process and improve the calibre of its security apparatus, proposed a restructuring programme for the armed forces. So far, the programme has received little interest from donors, and the Government has proceeded with implementing aspects of it using its own meagre resources. In the third quarter of 1999, the Government brought some 12,000 ex-combatants onto the public-sector payroll, as an interim measure to promote internal stability. To complement these efforts, UNDP is providing support for strengthening the Liberia National Police, focusing on training and the provision of non-lethal logistical assistance.

11. UNDP continued to support the promotion of good governance through its project executed by the Department of Social and Economic Affairs, United Nations Secretariat. It is also supporting the rebuilding of Government's capacity for sound and coordinated economic management through support to five key institutions under a complementary project executed by the United Nations, Secretariat Office of Project Services. In its medium-term strategy, the Government has prioritized macroeconomic stability through a sound fiscal regime, the development of a functioning monetary and financial system, and maintaining a low-inflation environment. UNDP supports these efforts through well-placed assistance within the context of its two projects and through continuous upstream policy dialogue.

12. The Government made efforts to reopen courts nationwide, organized public debates on judicial reform, established a judicial reform commission, and adopted a code of ethics for judges. The lack of adequate resources has seriously hampered efforts to improve living and working conditions for judges. The Government of the United States and UNDP are providing training and basic logistical assistance for the re-establishment of the rule of law. Assistance is also being provided to the national legislature, through training interventions, to enhance the understanding of their role and responsibility in the context of a system for democratic governance.

13. Assistance programmes at the community level are moving from largely short-term humanitarian assistance to more substantive areas of rehabilitation, reconstruction and development. The major implementing partners for United Nations agencies have been non-governmental organizations. In view of the proliferation of such organizations in the country, the Government and the United Nations system commissioned a capacity assessment study by non-governmental organizations and community-based organizations to determine their absorptive capacity and the additional support that would be required to promote local ownership and build capacity for implementing development projects. The study identified the poor state of the national infrastructure and the declining flow of resources as the two major obstacles to delivery of assistance. Nevertheless, it took note of the groundswell of initiatives at the town and village level, signifying the willingness and commitment of ordinary Liberians to rebuilding their

lives. The study also dealt with coordination issues and identified bottlenecks at the national, sectoral, and local levels, pointing clearly to the need for a structure that is both horizontal and vertical and that will take into consideration the need to harmonize national policies and priorities and build complementarity across sectors. Non-governmental organizations were ranked into three categories, largely on the basis of their internal governance, impact of their programmes on the beneficiaries, and location of headquarters (external/internal). Recommendations were made for capacity-strengthening on the basis of the ranking. In these respects, useful information has been provided for evolving a more effective system by the Government and the United Nations system for coordinating and facilitating the participation of non-governmental organizations in the post-conflict recovery and reconstruction process and for improving the channelling of resources in support of the priorities identified in the National Reconstruction Programme.

14. Rebuilding the capacity of civil society, which remains the wellspring of social capital, has also been supported by the United Nations system. Civil society organizations sustained their activities in Liberia during 1999. Most of the activities were seen as complementary to the efforts of governmental institutions and donors to provide basic services and protect rights. Most civil society organizations are church-related or professional associations. UNICEF supported the establishment of an Eminent Persons Group to advocate for children. The group is comprised of well-known, influential leaders from within and outside the Government, from the political arena and the private sector. The group plays a critical role in keeping children's issues high on the national agenda.

15. The United Nations theme groups and the Development Forum provided a medium for promoting a culture of free exchange of ideas and best practices in all areas of development and informing the policy-making process through debates on development issues. Similarly, the Good Governance Forum, supported by UNDP, brought together Liberians of diverse opinions to discuss issues relevant to good governance in Liberian society, thus enabling them better to understand each other's point of view, foster a culture of tolerance, and find common solutions to problems facing society.

IV. Macroeconomic performance

16. Immediately after its inauguration, the Government initiated bold measures aimed at macroeconomic reform and stabilization. They have resulted in a sharp reduction in the budget deficit, containment of inflationary pressures, and a streamlining of the monetary situation. Some progress has been made in restoring confidence in the financial system through the establishment of a full-fledged central bank and improvements in the regulatory and incentive structure for private investors. These reforms are being implemented in the context of an International Monetary Fund (IMF) staff-monitored programme which is contributing to the recovery in economic growth, the rekindling of private-sector confidence, and the rebuilding of relations with the Bretton Woods institutions.

17. Domestic production continues to increase but is still at only about one third of the pre-war level. Provisional data suggest a real GDP growth of 25-30 per cent in 1998 and 20–25 per cent in 1999. The growth is led by the agricultural sector where, by FAO estimates, the production of many of the food crops — notably rice and cassava (manioc) — has reached 70-75 per cent of the pre-war level. With the general improvement in food security, based on increased domestic production, the need for general food aid has been considerably reduced. There have also been sizeable increases in cash crop (rubber, coffee, cocoa) and timber production. Nevertheless, the informal sector continues to be the major source of income generation in urban areas, while subsistence farming activities provide livelihood for the rural populace.

18. With regard to foreign trade, the imbalance continues to be considerable despite the decline in the importation of humanitarian aid commodities. In United States dollar terms, exports grew by 70 per cent in 1998 and 30 per cent in 1999. This has been led largely by the increase in rubber and timber exports, accounting for 95 per cent of the country's export earnings. Imports fell significantly, by nearly 34 per cent, in 1998 with the transition from the humanitarian assistance phase and grew by only 4 per cent in 1999. Provisional figures indicate a trade deficit of $112 million in 1999, which is 25 per cent of GDP. The deficit was financed largely by grant assistance, private transfers, and foreign investment capital.

V. Humanitarian assistance/ resettlement, repatriation, and reintegration

19. The complexity of the Liberian situation requires the building-up of synergies between humanitarian efforts and developmental efforts to support sustained peace. While humanitarian assistance has been forthcoming, donors have been reluctant to support development activities, owing to their concern about residual but persisting security and governance problems. The November 1999 multi-donor mission recognized the need for flexibility in the allocation and use of resources in order to achieve the twin goals of ensuring consistency with the requirements of the NRP and ensuring an efficient transition from relief to sustainable development. Regrettably, few follow-up actions have been undertaken, due to continuing poor relations between the Government and its major international partners.

20. The Liberia Refugee, Repatriation, and Resettlement Commission (LRRRC) continued its efforts to repatriate refugees in the subregion and to resettle internally displaced persons, with assistance from the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP), and other United Nations agencies as well as various local and international non-governmental organizations. More that 36,800 internally displaced persons were relocated in 1999 from occupied structures in the centre of Monrovia to their towns and villages of origin in the west and south-east of the country, with significant support from the United Nations agencies and the Government of Sweden. Family resettlement kits, comprised of handtools and basic shelter construction materials, were distributed.

21. A total of 126,880 refugees have been assisted by UNHCR, in collaboration with WFP, the European Union, and various local and international partners, to return home voluntarily. The Government of the United States provided significant support to the operations of WFP. The United Nations system, in collaboration with the Government, provided basic facilities and services, including health care and primary education opportunities, to facilitate reintegration. The special needs of children were addressed by UNHCR, the United Nations Children's Fund (UNICEF), and Save the Children (United Kingdom).

22. UNHCR's resettlement and reintegration activities will phase out in June 2000. Neither the Government nor the other United Nations system agencies are fully prepared to take over its activities. The challenge is to identify mechanisms to ensure continuity of the ongoing reintegration activities. Of the existing caseload of approximately 176,000 Liberian refugees in neighbouring Côte d'Ivoire and Guinea, approximately 112,000 will remain exiled after the phasing out of activities. Furthermore, Liberia provides asylum for over 90,000 Sierra Leonean refugees, the bulk of which are sheltering in areas bordering the two countries. In collaboration with the Government and other United Nations system agencies, UNHCR provides shelter materials, household items, food, health care, education, water and sanitation facilities and protection.

VI. Health

23. In reproductive health, UNFPA and UNICEF are jointly supporting a two-year (1999-2000) project aimed at the revitalization of basic and reproductive health services, including family planning and sexual health, in seven counties. Additionally, WHO, UNICEF, and UNFPA are collaborating with the Government and United States-based non-governmental organization Africare in a nationwide safe motherhood needs assessment. This will lead to the development of a three-year plan within the framework of a reproductive health programme. UNDP and the World Health Organization (WHO) are supporting the development of a national health policy, which will provide a coherent frame of reference for the revitalization of the health sector.

24. The United Nations system, particularly WHO and UNICEF, supported the Government in the implementation of national immunization days for polio eradication. The campaign provided 100 per cent coverage of children under five. WHO, UNICEF, and UNDP supported the construction of water and sanitation facilities and training in public health education at the community level throughout the country.

25. WHO, UNDP and the Government conducted an HIV/AIDS situation analysis and developed a strategic plan for Liberia, which was adopted by the United Nations theme group on HIV/AIDS. In collaboration with UNICEF and UNDP, UNFPA and WHO provided

support for the strengthening of the National AIDS Control Programme (NACP). Condoms were supplied nationwide as part of awareness-raising activities for safe sex practices and family planning. Epidemiological surveillance helped determine the prevalence of HIV/AIDS. From 1986, when the first AIDS case was reported, to 1988, 243 cases were confirmed. During 1998, the HIV prevalence rate rose to 4.5 per cent, with the highest rate noted among the age group 20-29 (5.2 per cent). Gender-disaggregated data revealed higher infection rates in females than in males tested in 1998 — 7 per cent and 3.3 per cent respectively. Nevertheless, the overall trend shows a decline in reported prevalence from 7.1 per cent in 1997 to 4.5 per cent in 1998. This holds true across all age groups, geographical locations, patient categories (with the exception of visa applicants), levels of education, and occupations. These rates are believed to be underestimated since the years of conflict masked the magnitude of the problem, and selection bias, misdiagnosis, and underreporting undermined the quality of the results.

26. Technical and logistical support was provided to facilitate the extension of blood safety and public awareness activities into rural Liberia and to enable the participation of community-based organizations in HIV/AIDS prevention and in caring for people living with HIV/AIDS. Two United Nations Volunteers (an epidemiologist and an IEC trainer) were recruited for the NACP. The President of Liberia presided over the World Aids Day celebrations, during which he reaffirmed the country's commitment to combat HIV/AIDS and established the National Commission on HIV/AIDS. WHO, UNDP and UNFPA supported the celebrations by providing logistics for HIV/AIDS awareness activities, including the production of a programme in 16 local languages for distribution to people in rural areas. Despite these efforts, there is still a low level of interest among the general population on the HIV/AIDS problem. The NACP lacks adequate resources for a sustained effort aimed at awareness-raising and only a tiny fraction of the health facilities in the country have HIV testing capacity.

VII. Education

27. The Government was assisted in launching a number of key initiatives in the education sector, such as an accelerated learning programme for over-age children who had been out of school during the years of conflict, a girl's education survey, and a mass literacy campaign. The provision and the distribution of textbooks and teacher-training support were complemented by the physical renovation of schools by UNDP. Close linkages were forged with the Government and between UNICEF and UNESCO in the area of education policy development; UNICEF and UNHCR in teacher training; and UNICEF and WFP in the school food programme, under which 800,000 primary and secondary children from 1,400 schools in nine counties in Liberia and 15,000 teachers and school support staff benefited. In collaboration with UNICEF and other agencies, WFP also supported the provision of vocational education and other skills-training activities by distributing food assistance to an average of 4,000 trainees per month under their Food for Training Programme.

VIII. Community revival and restoration

28. Community revival and restoration activities centre around the provision of basic social services and income. The United Nations system and the donor community assisted the Government in rehabilitating 230 health clinics, 14 hospitals and 13 health centres out of a pre-war total of 330 clinics, 31 hospitals, and 54 health centres. A total of 135 schools have been renovated in nine of the 13 counties with assistance from the United Nations. Local artisans and tradesmen were used in the rehabilitation effort, thus creating employment for approximately 9,000 persons. Notwithstanding these achievements, basic social service delivery is still well below the pre-war level, with a significant proportion of the population lacking access to a regular supply of safe drinking water and to health, education, and sanitation facilities. Adult literacy stands at 35 per cent and net enrolment at the primary and secondary levels stands at approximately 42 per cent, compared to 46 for sub-Saharan Africa.

29. Microfinance (microgrants and microcredit) assistance and skills training opportunities have reached approximately 35,000 direct and indirect beneficiaries. In view of the widespread destruction of the housing stock, UNDP and the United Nations Centre for Human Settlements (Habitat) launched a project to upgrade skills in rural housing construction and town/village planning. The project aims to

construct 1,000 demonstration units in 4 of the 13 counties, using mostly improved locally available housing construction materials. The project will also promote cooperative development in the production of low-cost housing materials.

IX. Food security

30. FAO and WFP, in support of the Government's initiatives, distributed seeds, tools and seed protection rations to 29,800 farmers. The production of rice and cassava, the two main staple crops, had risen to over 70 per cent and almost 100 per cent, respectively, of the pre-war level, compared to 25 per cent and 50 per cent, respectively, in 1995. However, it should be noted that Liberia was only 70 per cent self-sufficient in rice production in pre-war times.

31. FAO, with support from UNDP, assisted the Ministry of Agriculture to formulate a framework document for the Special Programme for Food Security (SPFS). This was followed by a development-oriented project, SPFS: Water Control and Intensification Components, funded through the FAO Technical Cooperation Programme. The United States, the European Union, Japan and Canada were the major contributors of 27,824 metric tons of assorted food commodities, including cereals, pulses, oils, a corn/soya blend, sugar and salt, delivered by WFP and its partners to an average monthly caseload of 250,748 beneficiaries.

X. Gender concerns

32. As reflected in the NRP and various policy papers, the Government is committed to promoting women's advancement and gender equality in Liberia. The United Nations Theme Group on Gender assisted the Government in preparing the Liberia country report to the special session of the General Assembly held five years after the Fourth World Conference on Women and in developing a strategic framework for the implementation of the Convention on the Elimination of All Forms of Discrimination Against Women. Most United Nations agencies paid particular and deliberate attention to gender mainstreaming in their country programmes, addressing issues such as eliminating discriminatory laws and socio-cultural practices against women and girls, banning the establishment of secret societies near refugee camps in Liberia, promoting education for the girl child, promoting adolescent and women's health and reproductive health, and training in income-generating skills. In collaboration with other United Nations agencies, UNFPA helped to strengthen the secretariat and activities of the Liberia chapter of the Federation of African Women Educationalists (FAWE). The involvement of women in United Nations projects and programmes was promoted in an effort to advance the empowerment of women. FAO ensured that rural women's groups and non-governmental organizations were involved as implementing partners, and as a result, on average, 60 per cent of the beneficiaries in FAO-funded projects were women. WFP supported projects specifically aimed at the empowerment of women.

33. Although significant progress has been made in raising awareness and mainstreaming gender internally and through United Nations-supported programmes, much more remains to be done towards insuring gender equality in Liberia. One of the main constraints has been the limited follow-up capacity within the United Nations system and Government. UNDP (through a project executed by the United Nations (Secretariat) Office for Project Services) and UNIFEM, with support form the theme group on gender, have been assisting women's groups and the Government to undertake advocacy activities and to sensitize and train public officials and opinion leaders in various aspects of gender mainstreaming and empowerment.

XI. Major challenges facing the country

34. The Abuja II extended peace agreement (1996), which led to the election of the current Government, was a product of compromise and international pressures after the military stalemate. The country's major challenge is consolidating the peace and addressing problems emanating from the conflict and the social disparity and ethnic divisions that fueled the conflict. The needs of a significant proportion of the demobilized combatants, former child combatants, and the war-wounded have not been adequately addressed. In the face of the subregional security situation, the presence of a large number of unemployed youth and former combatants in urban areas continues to pose a threat to long-term stability.

35. While the return of growth is encouraging, the economic base is at only one third of its pre-war level. This is inadequate to ensure a sustainable impact on the poverty situation, which is also a threat to long-term stability. United Nations efforts to support the revitalization of the basic social safety net for the population have been further constrained by declining resources. The situation is made even more complex by the low-level of interest in democratization, including accountability in governing institutions, transparency, and the adherence to the rule of law. Adherence to the principles of separation of powers into three distinct branches of Government (legislative, judiciary, executive), as prescribed by the organic laws of Liberia, has still to be achieved.

XII. Recommendations for action by the General Assembly

36. There is dire need for greater recognition of the post-conflict challenges facing Liberia and the subregion within the international community in general and among the major donors in particular. The subregional dimension to the conflict should be acknowledged and should lead to the regeneration of support for the peace-building process in Liberia. It is therefore recommended that the General Assembly reaffirm its resolution 53/1, expressing gratitude to ECOWAS, the major donor countries, and the Bretton Woods institutions for their continuing efforts towards building sustainable peace in the subregion and calling for further support for the rehabilitation and reconstruction effort in Liberia, while reaffirming its support for the United Nations system collaboration and dialogue with the Government of Liberia in the fields of human rights, national reconciliation, peace-building, and strengthening of the rule of law.